

INTERNAL SERVICE FUNDS

The **Fleets and Facilities Fund** accounts for support services to other City departments in the areas of vehicle purchases and motor pool maintenance and repairs; building and related facility operations and maintenance; architecture, engineering, and space planning; and real estate management.

The **Information Technology Fund** accounts for support services provided by the Department of Information Technology to other City departments. The services include managing the City's information technology resources, including Citywide telecommunications, data communications, and the physical infrastructure that supports it; the City's telephone system, radio system, and fiber optic network; Citywide application infrastructure; and interactive media services.

The **Engineering Services Fund** accounts for the design, construction, and management services performed for capital improvement projects of other City departments and other entities.

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COMBINING STATEMENT OF NET ASSETS

INTERNAL SERVICE FUNDS

December 31, 2005

(In Thousands)

				Comparative Totals	
	Fleets and Facilities	Information Technology	Engineering Services	2005	2004
ASSETS					
Current Assets					
Cash and Equity in Pooled Investments	\$ 21,075	\$ 21,809	\$ 237	\$ 43,121	\$ 42,984
Receivables, Net of Allowances					
Accounts	585	29	3	617	85
Interest and Dividends	65	62	-	127	-
Unbilled	1	-	5	6	5
Due from Other Funds	4,309	2,330	442	7,081	5,501
Due from Other Governments	607	2,732	1	3,340	2,831
Materials and Supplies Inventory	1,605	602	-	2,207	2,062
Total Current Assets	28,247	27,564	688	56,499	53,468
Noncurrent Assets					
Restricted Cash and Equity in Pooled Investments	83	-	-	83	5
Capital Assets					
Land and Land Rights	81	-	-	81	81
Buildings and Improvements	2,574	-	-	2,574	2,528
Less Accumulated Depreciation	(482)	-	-	(482)	(660)
Machinery and Equipment	118,816	25,773	1,430	146,019	146,958
Less Accumulated Depreciation	(59,819)	(17,964)	(1,370)	(79,153)	(79,953)
Construction in Progress	5	5,328	-	5,333	3,471
Total Noncurrent Assets	61,258	13,137	60	74,455	72,430
Total Assets	89,505	40,701	748	130,954	125,898
LIABILITIES					
Current Liabilities					
Accounts Payable	3,916	1,720	39	5,675	3,966
Salaries, Benefits, and Payroll Taxes Payable	862	808	371	2,041	1,962
Contracts Payable	64	41	-	105	48
Due to Other Funds	3,052	230	55	3,337	1,502
Interest Payable	-	196	-	196	79
Taxes Payable	30	4	(3)	31	21
Current Portion of Long-Term Debt					
General Obligation Bonds Due Within One Year	-	780	-	780	950
Contracts Payable	-	361	-	361	348
Claims Payable	370	17	69	456	452
Compensated Absences Payable	93	174	53	320	308
Total Current Liabilities	8,387	4,331	584	13,302	9,636
Noncurrent Liabilities					
Advances from Other Funds	-	-	3,500	3,500	4,600
Compensated Absences Payable	1,515	1,117	498	3,130	2,990
Claims Payable	749	34	186	969	1,060
Vendor and Other Deposits Payable	83	-	-	83	5
General Obligation Bonds, Due Serially	-	2,455	-	2,455	3,405
Less Bonds Due Within One Year	-	(780)	-	(780)	(950)
Bond Discount and Premium	-	79	-	79	110
Contracts Payable	-	381	-	381	743
Other Noncurrent Liabilities	125	761	-	886	836
Total Noncurrent Liabilities	2,472	4,047	4,184	10,703	12,799
Total Liabilities	10,859	8,378	4,768	24,005	22,435
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	61,177	9,860	60	71,097	68,911
Unrestricted	17,469	22,463	(4,080)	35,852	34,553
Total Net Assets	\$ 78,646	\$ 32,323	\$ (4,020)	\$ 106,949	\$ 103,464

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**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2005
(In Thousands)**

	Fleets and Facilities	Information Technology	Engineering Services	Comparative Totals	
				2005	2004
OPERATING REVENUES					
Charges for Services	\$ 20,865	\$ 35,146	\$ 8,690	\$ 64,701	\$ 52,570
Rents, Parking, and Concessions	50,833	-	-	50,833	43,079
Total Operating Revenues	71,698	35,146	8,690	115,534	95,649
OPERATING EXPENSES					
Operations and Maintenance	50,569	29,343	-	79,912	69,533
Engineering Services	-	-	6,817	6,817	5,747
General and Administrative	4,294	2,861	690	7,845	8,164
City Business and Occupation Taxes	5	-	-	5	20
Other Taxes	229	23	-	252	206
Depreciation and Amortization	10,407	2,829	25	13,261	13,030
Total Operating Expenses	65,504	35,056	7,532	108,092	96,700
Operating Income (Loss)	6,194	90	1,158	7,442	(1,051)
NONOPERATING REVENUES (EXPENSES)					
Investment and Interest Income	682	626	(1)	1,307	658
Interest Expense	(5)	(282)	-	(287)	(211)
Gain (Loss) on Sale of Capital Assets	(154)	-	-	(154)	(108)
Contributions and Grants	122	3,724	-	3,846	841
Others, Net	-	-	-	-	305
Total Nonoperating Revenues (Expenses)	645	4,068	(1)	4,712	1,485
Income (Loss) Before Transfers	6,839	4,158	1,157	12,154	434
Transfers In	1,447	-	-	1,447	8,003
Transfers Out	(10,115)	-	-	(10,115)	(6,593)
Change in Net Assets	(1,829)	4,158	1,157	3,486	1,844
Total Net Assets -Beginning of Year	80,475	28,165	(5,177)	103,463	101,620
Total Net Assets - End of Year	\$ 78,646	\$ 32,323	\$ (4,020)	\$ 106,949	\$ 103,464

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COMBINING STATEMENT OF CASH FLOWS

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INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2005

(In Thousands)

	Fleets and Facilities	Information Technology	Engineering Services	Comparative Totals	
				2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	\$ 70,230	\$ 34,163	\$ 8,628	\$ 113,021	\$ 99,231
Cash Paid to Suppliers	(30,729)	(14,745)	(616)	(46,090)	(42,695)
Cash Paid to Employees	(20,605)	(17,726)	(7,010)	(45,341)	(43,306)
Cash Paid for Taxes	(223)	(23)	(1)	(247)	(205)
Net Cash from Operating Activities	18,673	1,669	1,001	21,343	13,025
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Payment of Interfund Advances	-	-	(1,100)	(1,100)	(600)
Operating Grants and Contributions Received	122	3,724	-	3,846	841
Transfers In	1,447	-	-	1,447	8,003
Transfers Out	(10,115)	-	-	(10,115)	(6,593)
Net Cash from Noncapital Financing Activities	(8,546)	3,724	(1,100)	(5,922)	1,651
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal Payments on Long-Term Debt	(200)	(750)	-	(950)	(1,101)
Capital Fees and Grants Received	-	-	-	-	-
Capital Expenditures and Deferred Charges Paid	(10,793)	(4,413)	(3)	(15,209)	(13,616)
Interest Paid on Long-Term Debt	(10)	(191)	-	(201)	(266)
Proceeds from Sale of Capital Assets	(154)	-	-	(154)	(108)
Net Cash from Capital and Related Financing Activities	(11,157)	(5,354)	(3)	(16,514)	(15,091)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and Investment Income Received	682	627	(1)	1,308	658
Net Increase (Decrease) in Cash and Equity in Pooled Investments	(348)	666	(103)	215	243
CASH AND EQUITY IN POOLED INVESTMENTS					
Beginning of Year	21,506	21,143	340	42,989	42,746
End of Year	\$ 21,158	\$ 21,809	\$ 237	\$ 43,204	\$ 42,989
CASH AT THE END OF THE YEAR CONSISTS OF					
Current Assets Cash and Equity in Pooled Investments	\$ 21,075	\$ 21,809	\$ 237	\$ 43,121	\$ 42,984
Restricted Cash and Equity in Pooled Investments	83	-	-	83	5
Total Cash at the End of the Year	\$ 21,158	\$ 21,809	\$ 237	\$ 43,204	\$ 42,989

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COMBINING STATEMENT OF CASH FLOWS

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INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2005

(In Thousands)

	Fleets and Facilities	Information Technology	Engineering Services	Comparative Totals	
				2005	2004
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 6,194	\$ 90	\$ 1,158	\$ 7,442	\$ (1,050)
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities					
Depreciation and Amortization	10,407	2,829	25	13,261	13,030
Changes in Operating Assets and Liabilities					
Accounts Receivable	(530)	(8)	5	(533)	(2)
Unbilled Receivables	(1)	-	-	(1)	2
Due from Other Funds	(682)	(770)	(106)	(1,558)	2,897
Due from Other Governments	(343)	(205)	39	(509)	764
Materials and Supplies Inventory	(24)	(121)	-	(145)	(75)
Accounts Payable	1,503	350	(144)	1,709	135
Salaries, Benefits, and Payroll Taxes Payable	(16)	77	19	80	296
Compensated Absences Payable	(14)	120	45	151	144
Due to Other Funds	1,994	(307)	-	1,687	(2,965)
Claims Payable	(43)	(4)	(40)	(87)	50
Contracts Payable	-	-	-	-	(84)
Taxes Payable	11	-	-	11	-
Deferred Credits	88	-	-	88	(78)
Other Assets and Liabilities	129	(382)	-	(253)	(39)
Total Adjustments	12,479	1,579	(157)	13,901	14,075
Net Cash from Operating Activities	\$ 18,673	\$ 1,669	\$ 1,001	\$ 21,343	\$ 13,025